

From: energymarkets@mbie.govt.nz
To: [Energy Markets](#)
Subject: Electricity Price Review submission
Date: Friday, 22 March 2019 11:54:46 a.m.

Name (full)

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Contact number

Region

Wellington

Category

Consumers, Consumer Groups and Advocates

Do you accept these terms & conditions?

Yes

- A1. Establish a consumer advisory council**
- A2. Ensure regulators listen to consumers**
- B1. Establish a cross-sector energy hardship group**
- B2. Define energy hardship**
- B3. Establish a network of community-level support services to help consumers in energy hardship**
- B4. Set up a fund to help households in energy hardship become more energy efficient**
- B5. Offer extra financial support for households in energy hardship**
- B6. Set mandatory minimum standards to protect vulnerable and medically dependent consumers**
- B7. Prohibit prompt payment discounts but allow reasonable late payment fees**
- B8. Seek bulk deals for social housing and/or Work and Income clients**
- C1. Make it easier for consumers to shop around**
- C2. Include information on power bills to help consumers switch retailer or resolve billing disputes**
- C3. Make it easier to access electricity usage data**
- C4. Make distributors offer retailers standard terms for network access**
- C5. Prohibit win-backs**
- C6. Help non-switching consumers find better deals**
- C7. Introduce retail price caps**
- D1. Toughen rules on disclosing wholesale market information**
- D2. Introduce mandatory market-making obligations**
- D3. Make generator-retailers release information about the profitability of their retailing activities**
- D4. Monitor contract prices and generation costs more closely**
- D5. Prohibit vertically integrated companies**
- E1. Issue a government policy statement on transmission pricing**
- E2. Issue a government policy statement on distribution pricing**
- E3. Regulate distribution cost allocation principles**
- E4. Limit price shocks from distribution price increases**
- E5. Phase out low fixed charge tariff regulations**

I'd like to strongly object to this proposal after having considered the implication of

it on low energy users like myself.

Over the last decade I've implemented various measures to curb my household energy use (e.g. double glazing, improving insulation, significant changes to my usage pattern). As a consequence my yearly consumption has decreased from ca. 3400 kWh to now ca. 1850 kWh.

Having studied in particular figure. 30 (on page 77 of 'first-report-electricity-price-review.pdf') I can only conclude that my yearly power cost will massively increase from ca. \$650 to well over \$1100. This is a far cry from the \$80 increase suggested for a household consuming 2000 kWh/yr. (source: pg. 27 of 'electricity-price-review-options-paper.pdf')

I furthermore have to question how this \$80 was derived, when simple primary school mathematics shows that an increase of the fixed costs of 30 cent a day (allowing for GST) would result in an increase of \$125.93.

With this proposal I feel that users, that try to do their bit to address the overwhelming issue of climate change by reducing their energy footprint, are being severely punished financially.

E6. Ensure access to smart meter data on reasonable terms

E7. Strengthen the Commerce Commission's powers to regulate distributors' performance

E8. Require smaller distributors to amalgamate

E9. Lower Transpower and distributors' asset values and rates of return

F1. Give the Electricity Authority clearer, more flexible powers to regulate network access for distributed energy services

F2. Transfer the Electricity Authority's transmission and distribution-related regulatory functions to the Commerce Commission

F3. Give regulators environmental and fairness goals

F4. Allow Electricity Authority decisions to be appealed on their merits

F5. Update the Electricity Authority's compliance framework and strengthen its information-gathering powers

F6. Establish an electricity and gas regulator

G1. Set up a fund to encourage more innovation

G2. Examine security and resilience of electricity supply

G3. Encourage more co-ordination among agencies

G4. Improve the energy efficiency of new and existing buildings